

## House Concurrent Resolution No.

**Whereas**, sustained investment in electric, natural gas, water, sewer, and heating utility infrastructure is vital to the economic vitality and well-being of the State of Missouri; and

**Whereas**, Missouri electric, natural gas, water, sewer, and heating utility companies compete with utility companies in other states for the capital necessary to sustain investment in utility infrastructure in Missouri; and

**Whereas**, Missouri electric, natural gas, water, sewer, and heating utility companies must achieve reasonable rates of return as compared to the rates of return achieved by utility companies in other states to ensure sustained investment in utility infrastructure in Missouri; and

**Whereas**, the utility regulatory process is a primary factor in determining the rate of return levels regulated electric, natural gas, water, sewer, and heating utility companies may achieve; and

**Whereas**, the utility regulatory process in Missouri, as it applies to electric, natural gas, water, sewer, and heating corporations, is governed primarily by Chapter 393, RSMo, which is largely unchanged since original enactment in 1913; and

**Whereas**, the potential for the deregulation of utilities in Missouri has received substantial legislative study in recent years, while the ongoing utility regulatory process and procedure has not enjoyed broad legislative evaluation; and

**Whereas**, the utility regulatory process must be periodically evaluated so as to promote the interests of fairness and balance among all constituencies, including consumers and shareholders of regulated utility companies, by addressing policy and practice advances in areas including, but not limited to, nontraditional regulatory rate plans, performance-based regulatory rate plans, incentive regulatory rate plans, capital recovery schedules, consistency of utility regulatory policy with generally accepted accounting principles, consistency of utility regulatory policy with financial accounting standards, consistency of utility regulatory policy with generally accepted engineering principles, communication between and among participants in the regulatory process, time schedules for the initiation and conclusion of proceedings before utility regulatory agencies, the role, function and needs of the Public Service Commission, the role, function and needs of the Office of Public Counsel, and the overall structure and cost of governmental utility regulatory agencies and the utility regulatory process:

**Now, therefore, be it resolved** by the members of the House of Representatives of the Ninety-first General Assembly, Second Regular Session, the Senate concurring therein, that a "Joint Legislative Committee on Utility Regulation and Infrastructure Investment" be created to be composed of five members of the Senate, to be appointed by the President Pro Tem of the Senate, and five members of the house of

Representatives, to be appointed by the Speaker of the House of Representatives, and that the committee be authorized throughout the Ninety-first General Assembly; and

**Be it further resolved** that the committee conduct in-depth studies and make appropriate recommendations concerning: how the utility regulatory process and the results thereof in Missouri in regard to electric, natural gas, water, sewer, and heating utility companies compare to the utility regulatory process and the results thereof in other states; and how the utility regulatory process in Missouri in regard to electric, natural gas, water, sewer, and heating utility companies can, or should, be modernized to be more efficient and effective, ensure sustained investment in utility infrastructure, and promote the interests of fairness and balance among all constituencies, including consumers and shareholders of regulated utility companies; and

**Be it further resolved** that the committee present a final report, together with its recommendations for any legislative action it deems necessary for submission to the General Assembly prior to the commencement of the First Regular Session of the Ninety-second General Assembly; and

**Be it further resolved** that the committee may solicit any input and information necessary to fulfill its obligations from the Missouri Public Service Commission, the Department of Economic Development, the Office of the Public Counsel, political subdivisions of this state, energy utilities, water utilities, heating corporations and representatives of energy and water customer groups; and

**Be it further resolved** that House Research, the Committee on Legislative Research, and Senate Research shall provide such legal, research, clerical, technical and bill drafting services as the committee may require in the performance of its duties; and

**Be it further resolved** that the actual and necessary expenses of the committee, its members, and any staff personnel assigned to the committee incurred in attending meetings of the committee or any subcommittee thereof shall be paid from the Joint Contingent Fund.

Offered by Representative Philip O. Willoughby

Ted Wedel, Chief Clerk of the House of Representatives, and Terry L. Spieler, Secretary of the Senate, do hereby certify that the aforementioned is a true and correct copy of House Concurrent Resolution No. , adopted by the House of Representatives on , 2002, and concurred in the Senate on , 2002.

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Chief Clerk of the House of Representatives

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Secretary of the Senate